

May 19, 2010

Sal Ventura  
International Brotherhood of Electrical Workers (IBEW)  
2125 Canoas Garden Ave, Suite 100  
San Jose, CA 95125

**RE: Mediation Conclusion on May 14, 2010**


Dear Sal:

This letter is to confirm our conversation at the end of mediation on May 14, 2010. At the end of mediation, the City and IBEW agreed that mediation had concluded and that there was no reason to continue to mediate.

As we stated during this meeting, we very much appreciate IBEW's effort at the bargaining table to work towards reaching an agreement and it is unfortunate that we were unable to reach an agreement that achieved the City Council's direction of a 10% total compensation reduction.

We will be in touch about next steps.

Sincerely,



Jennifer Schembri  
Senior Executive Analyst

c: Alex Gurza, Director of Employee Relations